

ANDREAE EQUITY INVESTMENT FUND LIMITED

STATEMENT OF SURPLUS ACCOUNTS

AR53

UNAUDITED

FOR THE SIX MONTHS ENDED MAY 31, 1967

	Capital redemption reserve \$	Paid-in Income \$
CONTRIBUTED SURPLUS		
Balance - November 30, 1966	4,070,690	11,537
Add: Portion of proceeds on issue of class "A" shares during the period.	<u>621,888</u>	<u>3,268</u>
	<u>4,692,578</u>	<u>14,805</u>
Deduct: Portion of amount paid to shareholders on redemption of class "A" shares during the period.	328,636	1,340
Amount transferred to earned surplus	<u>-</u>	<u>12,724</u>
	<u>328,636</u>	<u>14,064</u>
Balance - May 31, 1967	<u><u>4,363,942</u></u>	<u><u>741</u></u>
RESERVE FOR REINVESTMENT		
Balance - November 30, 1966		238,907
Net realized gain on sale of investments during the period.		<u>24,902</u>
Balance - May 31, 1967.		<u><u>263,809</u></u>
EARNED SURPLUS		
Balance - November 30, 1966		82,178
Add: Net income for the period, per statement attached		<u>35,995</u>
		<u>118,173</u>
Deduct: Dividends paid		78,741
Less: Amount transferred from paid-in income account		<u>12,724</u>
		66,017
Prior years' income taxes underprovided		<u>3,665</u>
		<u>69,682</u>
Balance - May 31, 1967		<u><u>48,491</u></u>
UNREALIZED APPRECIATION IN VALUE OF INVESTMENTS		
Balance - November 30, 1966		151,885
Add: Increase in unrealized appreciation in value of investments.		<u>472,216</u>
Balance - May 31, 1967		<u><u>624,101</u></u>


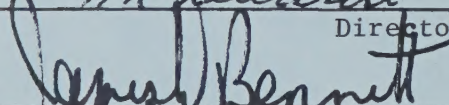
ASSETS

Cash	71,685
Subscriptions receivable	1,578
Accounts receivable from security sales	142,121
Interest accrued and dividends receivable	44,064
Investments in marketable securities valued on the basis of market quotations (average cost \$4,965,976)	<u>5,590,077</u>
	<u>5,849,525</u>

LIABILITIES

Accounts payable for security purchases	187,865
Other accounts payable and accrued liabilities	9,692
Income taxes payable	<u>21,640</u>
	<u>219,197</u>
Net assets at market value	<u><u>5,630,328</u></u>
Net asset value per share	<u><u>3.42</u></u>

SIGNED ON BEHALF OF THE BOARD


 Director

 Director

ACCOUNTANTS' COMMENTS

The accompanying statements of financial position, surplus accounts and income and expenses (presented in compliance with the new Ontario Securities Act, effective May 1, 1967) have been prepared by us from the books and records of the company and from information given to us. We did not perform an audit of the accounts taken as a whole and accordingly are not in a position to express an opinion on the financial statements.

In accordance with instructions, we did, however, verify the Cash and Investments in marketable securities at market values at May 31, 1967.

M. Donald, Ginner & Co.

TORONTO, June 14, 1967

CHARTERED ACCOUNTANTS

ENT FUND LIMITED

IAL POSITION

1967

\$

REPRESENTED BY

CAPITAL STOCK AND SURPLUS

CAPITAL STOCK

class "A" non-voting shares with a
par value of 20 cents each, redeemable
at the shareholders' request at the
liquidating value thereof to the extent
that there is capital redemption reserve
available for such purposes.

Authorized -

6,077,570 shares (total shares authorized
less 781,870 shares redeemed
to date)

Issued -

1,646,190 shares (during the period 211,920
shares were issued for cash and
103,210 shares were redeemed)

329,238

Common shares with a par value of
20 cents each

Authorized -

725,000 shares

Issued -

30 shares

6

329,244

SURPLUS

Contributed surplus

Capital redemption reserve

4,363,942

Paid-in income

741

Reserve for reinvestment (net realized
gain on sale of investments)

263,809

Earned surplus

48,491

Unrealized appreciation in value
of investments

624,101

5,301,084

5,630,328

ANDREAE EQUITY INVESTMENT FUND LIMITED

STATEMENT OF INCOME AND EXPENSES

UNAUDITED

FOR THE SIX MONTHS ENDED MAY 31, 1967

INCOME		\$
Dividends		38,872
Interest		<u>61,095</u>
		<u>99,967</u>
OPERATING EXPENSES		
Administration fees		200
Bank charges and interest		160
Investment management fees		13,804
Office expenses		3,088
Stationery and office supplies		1,880
Director's fees		150
Salaries		5,662
Trust company fees		2,323
Miscellaneous		<u>95</u>
		<u>27,362</u>
ANNUAL COSTS OF COMPLIANCE WITH SECURITY COMMISSION REQUIREMENTS - PROSPECTUS, ETC.		
Legal, registration and filing fees		5,626
Stationery and printing		<u>3,700</u>
		<u>9,326</u>
		<u>36,688</u>
INCOME BEFORE PROVISION FOR INCOME TAXES		63,279
Foreign withholding taxes	1,484	
Provision for Canadian income taxes	<u>25,800</u>	<u>27,284</u>
NET INCOME FOR THE PERIOD		<u>35,995</u>